

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | PHILIP Y. BROWN, ESQ. | JOHN B. LANGAN | JAMES M. MACHADO | DONALD R. MARQUIS | ROBERT B. MCCARTHY

MEMORANDUM

TO: Gloucester Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: October 16, 2014

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on September 30 of each fiscal year. The schedule is effective in FY15 (since the amount under the prior schedule was maintained in FY15) and is acceptable under Chapter 32.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

Enc.



SECTION 2: Valuation Results for the Gloucester Contributory Retirement System

CHART 16

Funding Schedule – Fully funded by 2034, with increase in appropriation of 6.15% per year

(1) Fiscal Year Ended June 30	(2) Employer Normal Cost	(3) Amortization of 2002 Housing Authority ERI Liability	(4) Amortization of 2003 Housing Authority ERI Liability	(5) Amortization of 2003 City ERI Liability	(6) Amortization of Remaining Liability	(7) Total Plan Cost: (2) + (3) + (4) + (5) + (6)	(8) Total Unfunded Actuarial Accrued Liability at Beginning of Fiscal Year	(9) Total Plan Cost: % Increase
2015	\$1,854,861	\$3,808	\$6,525	\$48,454	\$5,504,637	\$7,418,285	\$101,256,750	--
2016	1,919,781	3,808	6,525	48,454	5,895,762	7,874,330	103,220,386	6.15%
2017	1,986,973	3,808	6,525	48,454	6,312,651	8,358,411	104,922,556	6.15%
2018	2,056,517	3,808	6,525	48,454	6,756,947	8,872,251	106,315,754	6.15%
2019	2,128,495	-	-	-	7,289,184	9,417,679	107,347,045	6.15%
2020	2,202,992	-	-	-	7,793,646	9,996,638	107,957,551	6.15%
2021	2,280,097	-	-	-	8,331,092	10,611,189	108,081,862	6.15%
2022	2,359,900	-	-	-	8,903,620	11,263,520	107,647,415	6.15%
2023	2,442,497	-	-	-	9,513,457	11,955,954	106,573,805	6.15%
2024	2,527,984	-	-	-	10,162,971	12,690,955	104,772,040	6.15%
2025	2,616,463	-	-	-	10,854,679	13,471,142	102,143,725	6.15%
2026	2,708,039	-	-	-	11,591,251	14,299,290	98,580,180	6.15%
2027	2,802,820	-	-	-	12,375,530	15,178,350	93,961,476	6.15%
2028	2,900,919	-	-	-	13,210,532	16,111,451	88,155,385	6.15%
2029	3,002,451	-	-	-	14,099,464	17,101,915	81,016,241	6.15%
2030	3,107,537	-	-	-	15,045,732	18,153,269	72,383,698	6.15%
2031	3,216,301	-	-	-	16,052,954	19,269,255	62,081,380	6.15%
2032	3,328,872	-	-	-	17,124,975	20,453,847	49,915,415	6.15%
2033	3,445,383	-	-	-	18,265,880	21,711,263	35,672,840	6.15%
2034	3,565,971	-	-	-	19,480,011	23,045,982	19,119,867	6.15%
2035	3,690,780	-	-	-	-	3,690,780	-	-83.99%

Notes: Recommended contributions are assumed to be paid on September 30.

Assumes item (2) increases at 3.5% per year.

Assumes contribution of budgeted amount for fiscal 2015.